

OASAC Presentation 2018



JourneyCare[®]
Expanding horizons in palliative, supportive & end-of-life care

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History, Mission, Vision and Values

History: Evolution of JourneyCare

Where we came from:

- Grass-roots volunteer movement
- Small service area
- No payment
- Charity
- Mission driven community hospice
- Helping people live life to its fullest with dignity and without pain until the end of life

Where we are now:

- *The leading provider of palliative & end of life care in the region!*
- Professional Healthcare Organization
- 10 county service area
- Hospice Medicare Benefit
- Not For Profit Business
- Mission driven community hospice
- Helping people live life to its fullest with dignity and without pain until the end of life

Mission, Vision and Values

Our Mission

Agency: Enriching lives through expert and compassionate care.

Foundation: Building lasting relationships to secure the resources needed to sustain and advance the mission of JourneyCare

Our Vision

Transforming lives by building a community where exceptional palliative, supportive and end-of-life care is accepted, expected and available to all.

Our Values

Wholeheartedness
Respect
Joyfulness

Intention, Integrity and Wisdom
Accountability
Excellence, Expertise and Exquisite Customer Service

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Programs, Services and Communities Served

Service Area



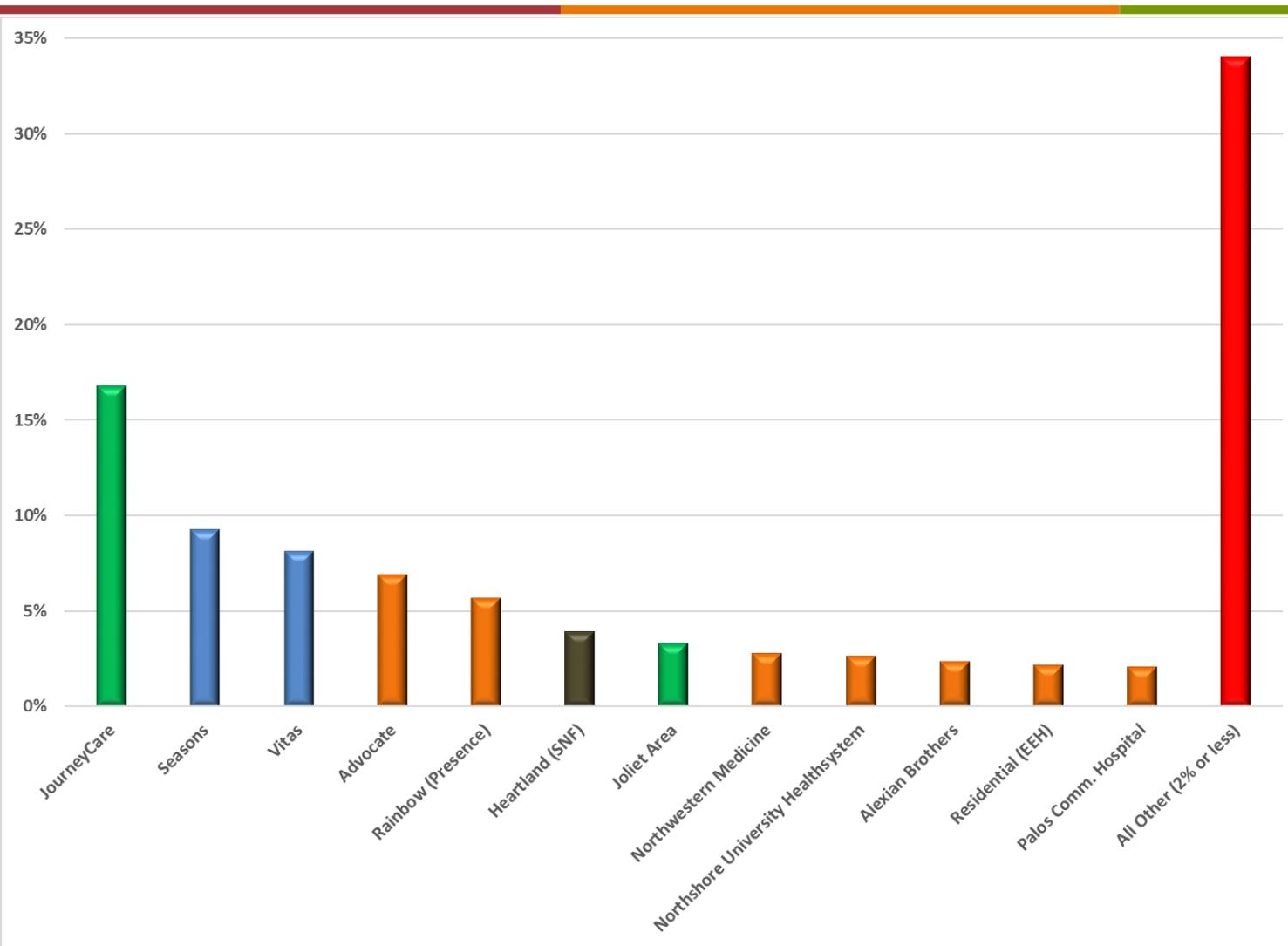
Did you know?

Our 10 county service area covers approximately 5,600 square miles and a population of more than 9 million!

We provide care and support to patients and families in nearly 400 communities! 77 of these communities are in Chicago!

JourneyCare has 5 inpatient hospice CareCenters with 60 total beds

Medicare Hospice Market Share Across 10-County Service Area (2016 Admissions Data)



Green = Non-profit, free-standing, community

Blue = National for-profit. Seasons is family-owned. Vitas is public.

Gold = Hospital affiliated

Gray = SNF affiliated

Red = All hospices with < 2% Market Share,

JourneyCare Impact



Over **1,100** volunteers contributed nearly **48,000** hours

Nearly **9,000** benefited from our adult and children bereavement services

\$6 Million in Charity Care and Unfunded/Underfunded Services

Nearly **1,000** employees providing exceptional care to nearly **13,000** patients and their families

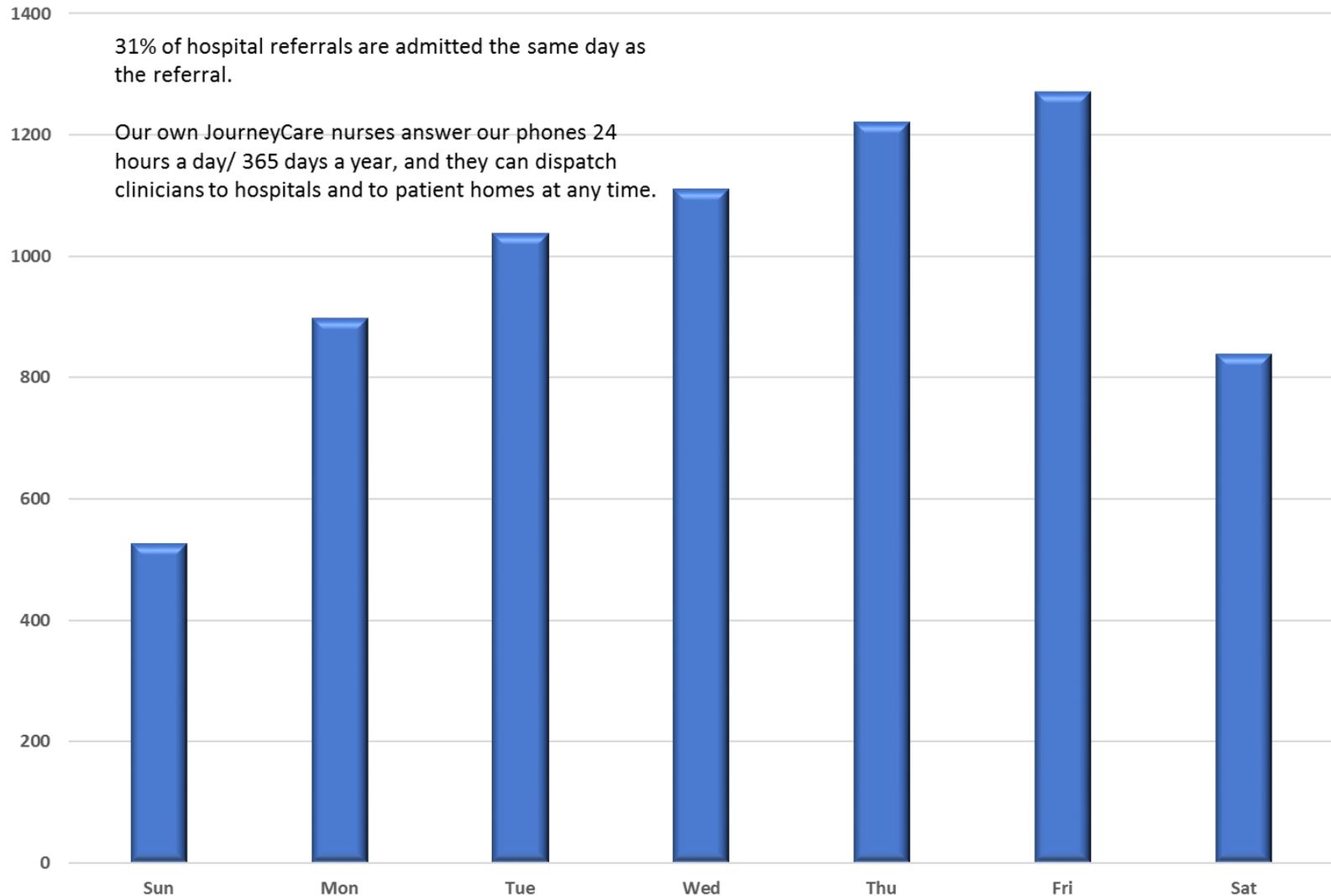
Educated nearly **17,000** community members and care professionals via **650** JourneyCare presentations

Agency Programs & Services

- **Core Programs - 2,290 Patients**
 - Home Hospice Care - 1,300 Patients
 - Inpatient Hospice CareCenters (5) - 40 Patients
 - Community-Based Palliative Care - 800 Patients
 - Pediatric Palliative and Hospice Care - 150 Patients
 - **Service Innovations and Support**
 - Integrative Therapies
 - Grief Support Services
 - Community and Healthcare Partner Education
 - Other Specialty Programs
-

We Are Truly 24/7/365: Try Us!

JourneyCare New Admissions Per Week Day - 2017



JourneyCare

Expanding horizons in care

1,300 ADC
Hospice Patients



150 Pediatric
Patients



800 community-
based palliative care
patients



60 Medicare
Care Choices

9,000 adults and
children receiving
bereavement

80% staff retention

88% patient/ families
would recommend

ALOS: 72 Days
LONG LOS: 9% over
180+ Days

Live Discharges: 9%

Conversion Rate: 65%



5 Inpatient
Care Centers
60 total beds



900 employees
1,100 volunteers (48,000
hours)



Serving Greater Chicago
10 counties, 5,600 sq miles,
400 communities



\$6 Million in charity
care and unfunded/
underfunded services

ACO | Care Choices | Hospice | Palliative Care
Chronic Care Management | Home-based Primary Care



Foundation Programs & Services

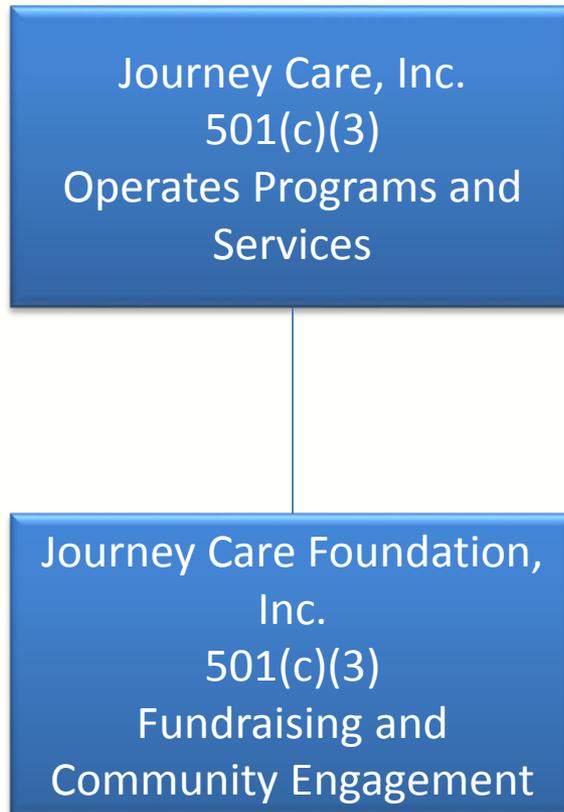
Financial Support (Fund and Friend Raising)

- Recruitment, Retention, and Education of Clinical Staff & Community
 - Pediatric Program
 - I.T. and Innovation
 - Comfort and Joy Program
 - Charity Care
 - Unfunded/ Underfunded Programs
 - Grief Support
 - Volunteer Programs
 - Integrative Therapies...
-

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Organizational Structure and Decision Processes

Organizational Structure



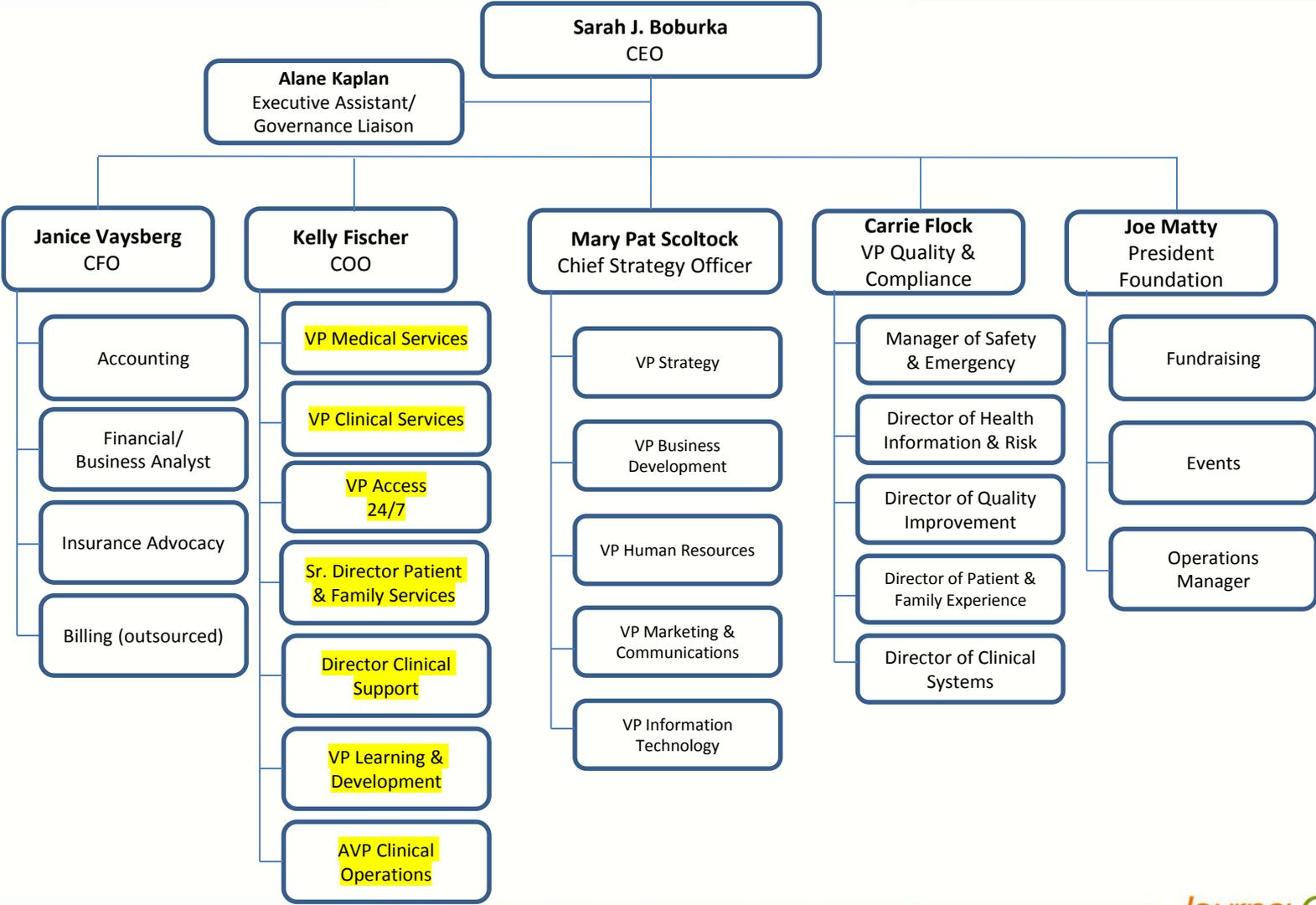
Journey Care, Inc. is the sole member of Journey Care Foundation, Inc. and....

- Elects its trustees
- Approves its bylaws
- Holds other reserve powers

The two organizations share information openly and actively collaborate to support the goals of both corporations.

There is a joint committee structure with representation from both Boards

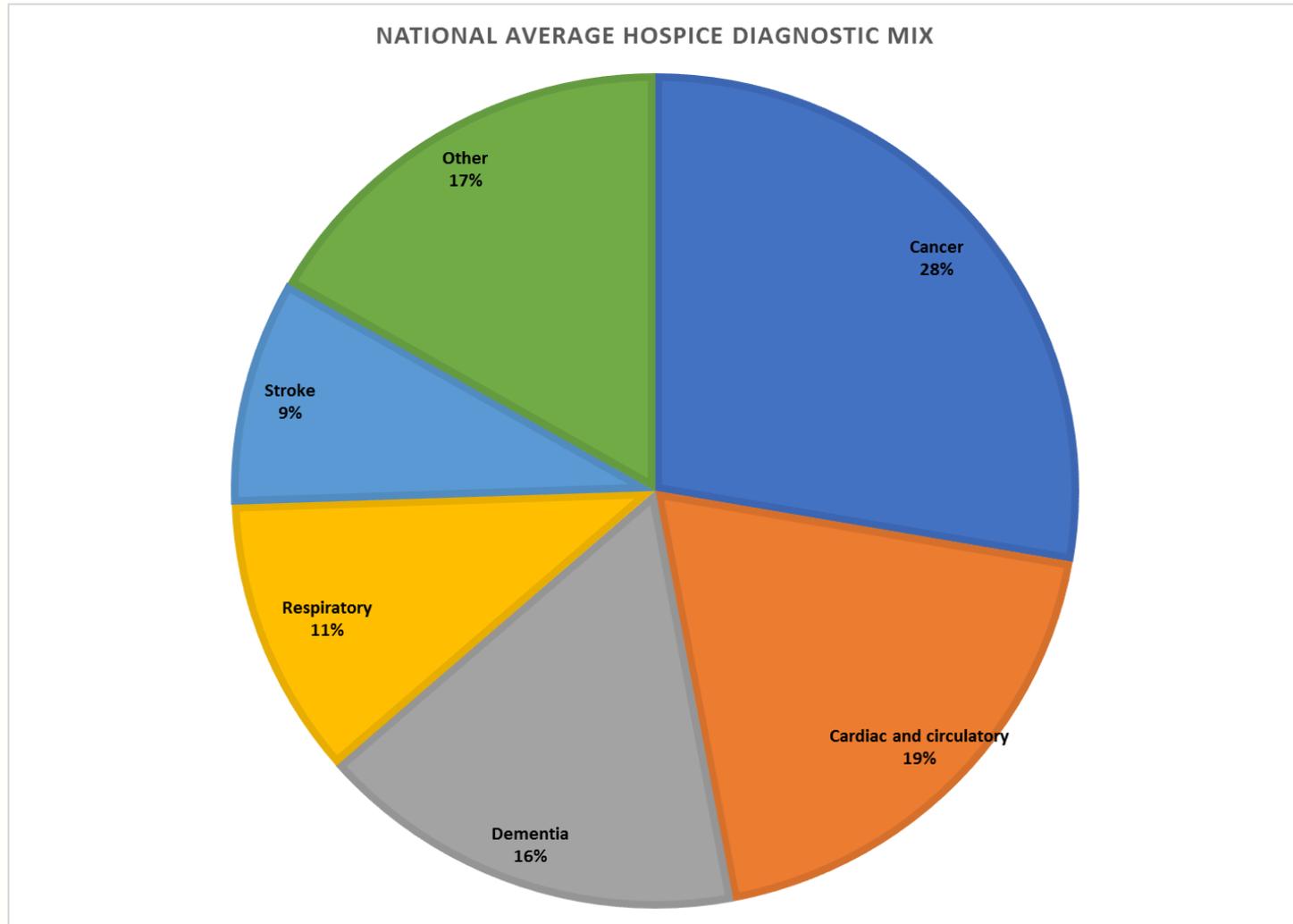
JourneyCare



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Operating Environment and Industry Trends

Comparison of Diagnostic Mix by Referring Hospital (PLACEHOLDER)



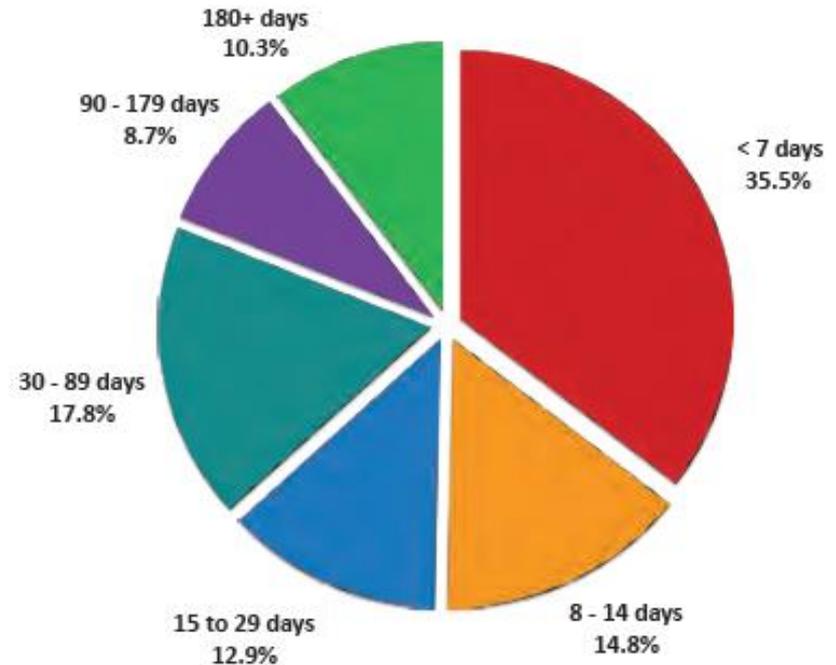
Things You Need to Know

- Hospice is a highly competitive business; most hospices are for profit entities
- It is a young industry that has experienced rapid growth
- Regulatory scrutiny is high
- We face all the pressures and risks that come with being a healthcare provider
- We have an unusually high revenue concentration in government payers
- There is a growing need for our services
- Healthcare is changing rapidly

Facts and Figures

Short and Long Lengths of Service

- In 2014, a larger portion of hospice patients (approx. 35.5%) died or were discharged within seven days of admission when compared to 2013 (34.5%). Likewise, a larger portion of patients died or were discharged within 14 days of admission in 2014 when compared to 2013 (50.3% and 48.8% respectively). A smaller proportion of patients remained under hospice for longer than 180 days (10.3% in 2014 compared to 11.5% in 2013).



Where Do Most Hospice Patients Receive Care?

The majority of patient care is provided in the place the patients call “home”

Location of Death	2014	2013
Patient's Place of Residence	58.9%	66.6%
Private Residence	35.7%	41.7%
Nursing Home	14.5%	17.9%
Residential Facility	8.7%	7.0%
Hospice Inpatient Facility	31.8%	26.4%
Acute Care Hospital	9.3%	7.0%

Facts and Figures

Patient Gender	2014	2013
Female	53.7%	54.7%
Male	46.3%	45.3%

Patient Age Category	2014	2013
Less than 24 years	0.5%	0.4%
25 - 34 years	0.3%	0.4%
35 - 64 years	15.3%	15.3%
65 - 74 years	16.8%	16.6%
75 - 84 years	26.0%	26.1%
85+ years	41.1%	41.2%

Patient Race	2014	2013
White/Caucasian	76.0%	80.9%
Multiracial or Other Race	13.1%	7.5%
Black/African American	7.6%	8.4%
Asian, Hawaiian, Other Pacific Islander	3.1%	2.9%
American Indian or Alaskan Native	0.3%	0.3%

Patient Ethnicity	2014	2013
Non-Hispanic or Latino origin	92.9%	93.2%
Hispanic or Latino origin	7.1%	6.8%

Primary Diagnosis	2014	2013
Cancer	36.6%	36.5%
Non-Cancer Diagnoses	63.4%	63.5%
Dementia	14.8%	15.2%
Heart Disease	14.7%	13.4%
Lung Disease	9.3%	9.9%
Other	8.3%	6.9%
Stroke or Coma	6.4%	5.2%
Kidney Disease (ESRD)	3.0%	3.0%
Liver Disease	2.3%	2.1%
Non-ALS Motor Neuron	2.1%	1.8%
Debility Unspecified	1.9%	5.4%
Amyotrophic Lateral Sclerosis (ALS)	0.4%	0.4%
HIV / AIDS	0.2%	0.2%

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Strategy:

Our Role in the Value Equation

National Healthcare Strategy

Supplemental Benefits Flexibility

	2020	2019	
Benefit Type	“Chronic”	“Targeted”	“Standard”
Eligibility	“Chronically ill” beneficiaries (defined in statute)	Specific health status or disease state	All MA beneficiaries
Benefit flexibility	Supplemental benefit that has a reasonable expectation of improving or maintaining enrollee health or overall function	Benefits must (1) not be covered by original Medicare; (2) must be primarily health-related (new, more flexible definition); and (3) MA plan must incur a non-zero direct medical cost	
Uniformity flexibility	Ability to tailor to an individual beneficiaries' specific medical condition and needs	Ability to tailor to similarly situated beneficiaries	The supplemental benefit is uniform across all beneficiaries

JourneyCare Key Strategies



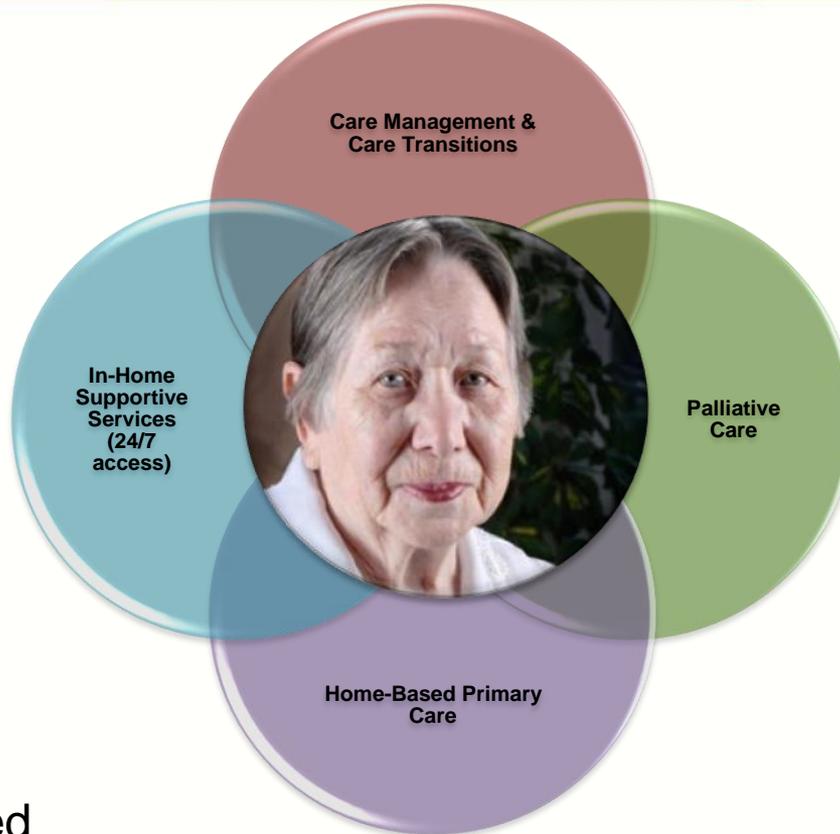
✓ **Achieve Scale and Market Presence**

2. Develop Outcomes- Oriented Partnerships Build data-driven, performance improvement-focused relationships with health systems and risk-based payors

3. Create Advanced Illness Management Solutions Offer AIM models of care that enable management of high-risk, high-cost, chronically ill patients and minimize overall costs of care

4. Replace FFS Revenue with Value-Based Payment

Advanced Illness Management: JourneyCare Is Expanding Its Capacity to Meet this Need



Capabilities Required

Use of Variety of Care Management Models

Research & Development of Care Models

Data Analytics

Network Development

Mobile Health Technology

Current Initiatives

New Programs and Services in 2018

- KeepWell ACO (launched 1/2018) - Track 1 MSSP; Providing chronic care management and support for 1,223 lives (32 directly attributed to JourneyCare providers)
- Chronic Care Management (launching now) - Providing non-patient-facing chronic care management services to patients in collaboration with primary care physicians
- Home Based Primary Care (200 person pilot launching 8/2018)

Other Service/Support Innovations in R&D Phase

- Patient Portal
- Provider Portal
- Interoperability
- C.N.A School Partnership/ Nursing Scholarship/ Career Track

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Financial Overview

Janice Vaysberg

No Margin - No Mission

Why do we need a profit? Live to serve another day.

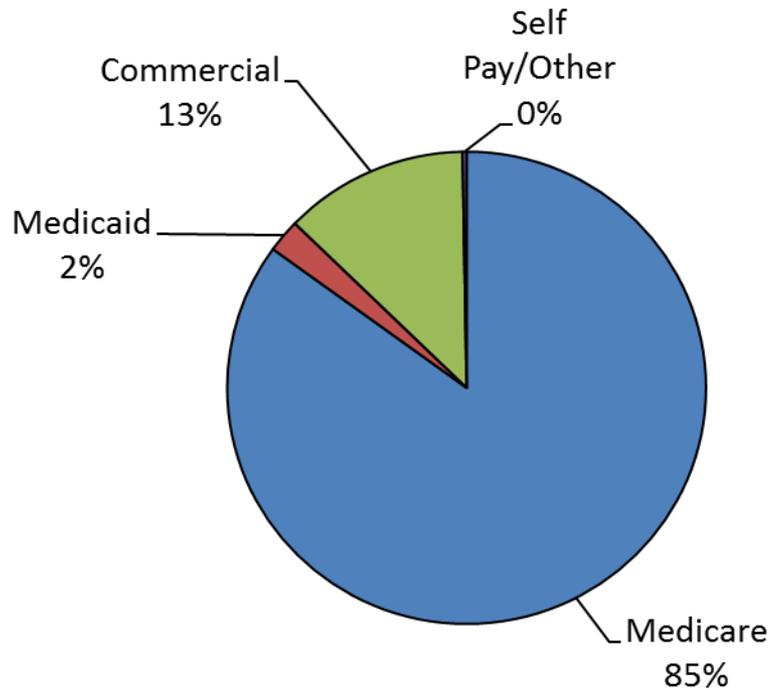
- We don't want to rely on donors to enhance and expand our programs & services
- Most of our revenue comes from the government, and we are seeing slower payments from Medicaid, which is a state run program. Medicare currently pays in 14 days, but they could slow down or freeze payments
- We need to have cash reserves, 6-9 months of expenses, so we can continue to operate and serve the community

What about community support?

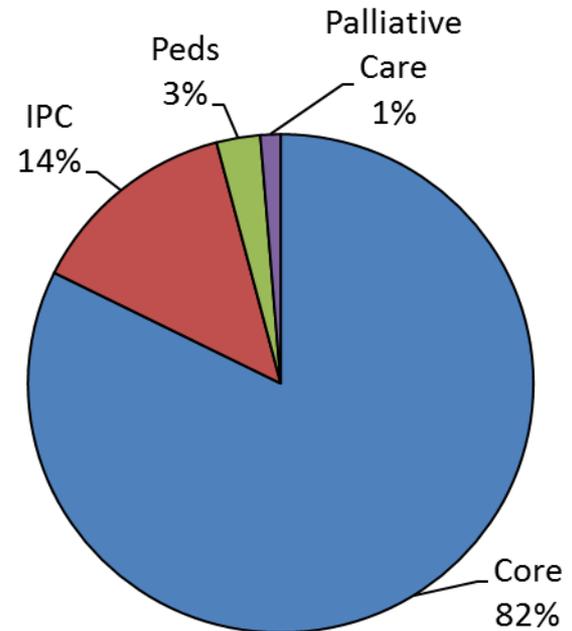
- We want to be able to serve more people - increase the quality of life in our community
- The rules and regulations are evolving, making it more difficult to operate
- Some hospices are closing - they can't meet the requirements
- Medicare rates are not increasing, or only minimally.

How Do We Get Paid?

Revenue Sources by Payer



Revenue Sources by Program

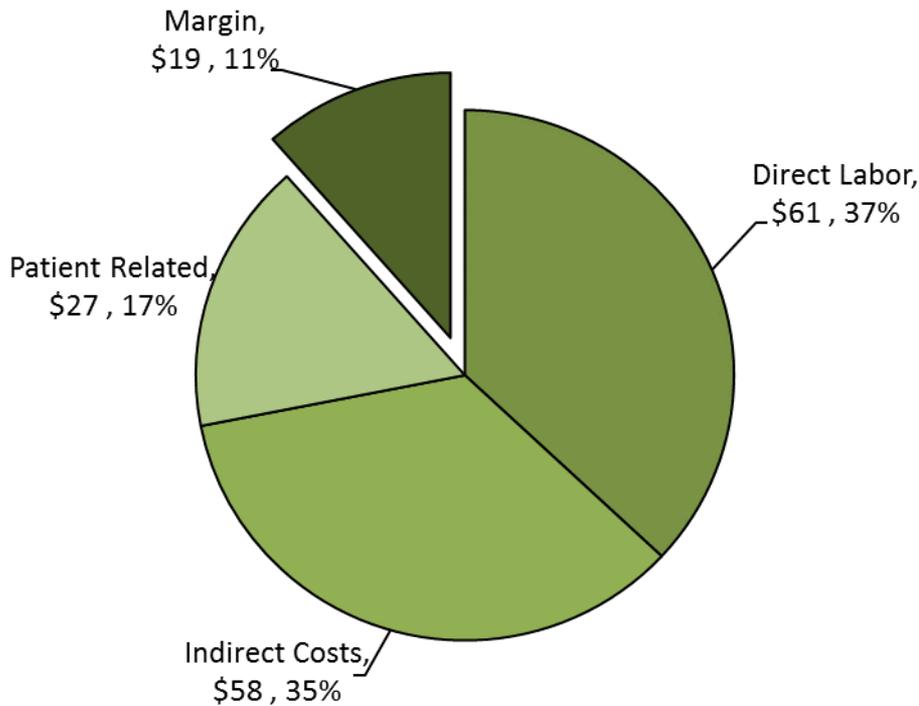


*Excludes philanthropy. Percentages represent 2017 YTD Actuals

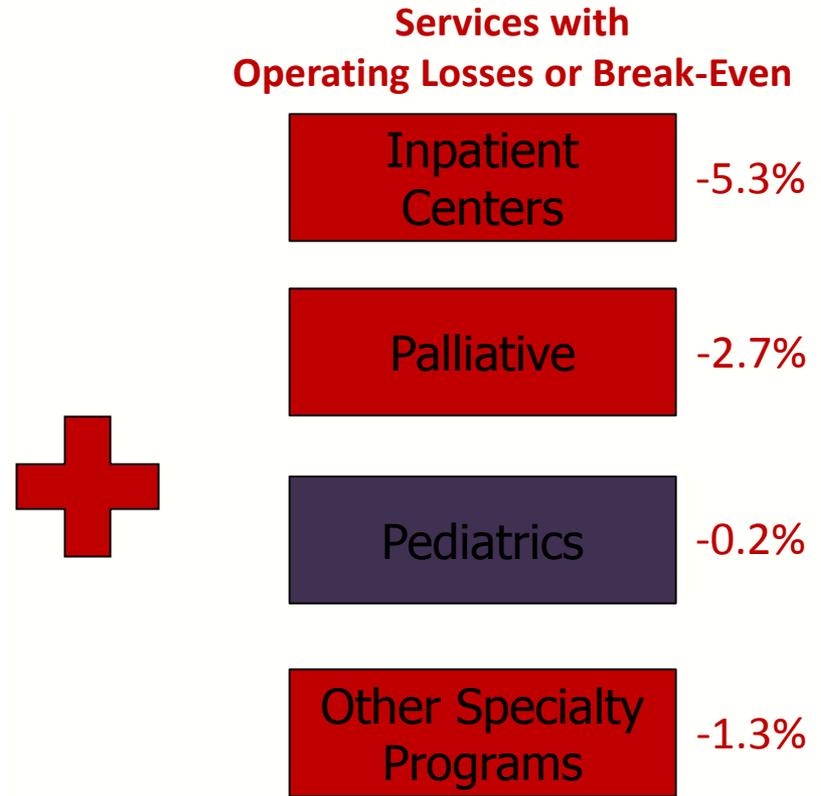
Levels of Care

- Routine Home Care - \$165/day - provided wherever the patient calls home
- Continuous Home Care (i.e. Crisis Care) - \$970/day, paid in 15 minute increments - minimum of 8 hours of care in 24 hour period, minimum 50% skilled nursing, when there are ongoing symptom management needs
- General Inpatient Care - \$735/day, when symptoms can not be effectively managed in a home setting
- Inpatient Respite Care - \$170/day, when a caregiver needs a break, up to 5 days, generally provided in a partner community.

Where Does Our Money Go?



Core Hospice \$165 Revenue/day



Net Operating Margin*: 2%

*Operating Margin represents Sept-Oct 2017 Actuals

Compliance

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Carrie Flock

Applicable Laws and Regulations

- **Medicare Regulations**-any agency that participates in Medicare, must follow Medicare regulations
- **False claims Act**-makes it illegal to submit a falsified bill to a government agency
- **Stark Act** (also known as Stark Law or Ethics in Patient Referrals Act-EPRA) makes it illegal for physicians to refer patients to facilities or providers if:
 - The physician has a financial relationship with said facility or provider
 - If the physicians immediate family has a financial relationship with said facility or provider.

More Regulations

- **Anti-kickback Statute (Law)**-makes it illegal to give or take kickbacks, bribes or rebates for healthcare that will be paid for by a government program
- **Mail or wire fraud statute**-makes it illegal the use the U.S. Mail or electronic communication as a part of fraud
- **Sections of the Social Security Act**-makes it illegal to:
 - Pay physicians to encourage them to limit services to Medicare/Medicaid patients
 - Offer gifts to Medicare/Medicaid patients, to get their business

Even More Regulations

- **EMTALA**-Emergency Medical Treatment and Active Labor Act-also known as the patient anti-dumping statute, requires Medicare hospitals to provide services to all patients, whether or not they are able to pay.
- **PSDA**-Patient Self Determination Act prohibits discrimination based on patient healthcare choices
- **HIPAA**-Health Insurance Portability and Accountability Act, requires healthcare businesses to follow standards for:
 - Performing electronic transactions
 - Protecting privacy of health information
- **AND** - Many more!

Regulatory and Accreditation Agencies

Agency	Oversight
Illinois Department of Public Health (IDPH)	-Hospice Regulations / State Licensing and regulation -Clinical Laboratory Improvement Activities (CLIA) License Waived Testing
Centers for Medicare and Medicaid Services (CMS)	Conditions of Participation for Hospice (CoPs) / regulatory guidance for our practice
Office of the Inspector General (OIG)	Fraud and Abuse
The Joint Commission (TJC)	Survey for CMS / IDPH

Types of Audits/ Surveys by Agency

- **Illinois Department of Public Health (IDPH)**
 - Annual Licensing for Inpatient Centers
 - Complaint Surveys
- **Centers for Medicare and Medicaid Services (CMS)**
 - Zone Program Integrity Contractors (ZPICs)-identify fraud and abuse, may refer to OIG or DOJ based on findings
 - Medicaid Integrity Contractors (MICs) - during on-site audits, identify overpayments - Like Medicare RACs but for Medicaid.
 - Medicare Administrative Contractors (MACs)-statistically driven audit based on data analysis and projected vulnerabilities, statistical sample used based on claims
 - Additional Document Requests (ADRs)-a claim is selected for medical review, additional documentation is requested to ensure payment is appropriate
 - Recovery Audit Contractors (RACs)

Types of Audits/ Surveys by Agency

- **RACs cont.**
 - Work on Commission to identify overpayments
 - Medicare RACs & Medicaid RACs
- **Office of the Inspector General (OIG)**
 - OIG audits areas of potential fraud, related to primary areas of scrutiny/concern
 - Areas under scrutiny-Inpatient care, Length of stay, quality of care, appropriate billing and number of in-person nurse visits
- **The Joint Commission (TJC) Accreditation**
 - Optimizes care and safety and mitigates risk across the organization (voluntary)



Our Compliance Program Ensures:

- All employees, volunteers and contractors are in **compliance** with the rules and regulations of our regulatory agencies,
- That company policies and procedures are being followed,
- And, that behavior in the organization meets the company's Code of Conduct.



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Quality Improvement

Hospice Quality Reporting

- **Hospice Compare**
 - CMS is developed a hospice compare website, similar to those used in other Medicare provider groups (Hospitals, Nursing Homes, etc.)
- **2 new quality measures -**
 - Hospice and Palliative Care Composite Process Measure Comprehensive Assessment at Admission
 - Hospice Visits When Death is Imminent Measure Pair (last 3 and 5 days of life)



Expert Care, Support and Commitment to Excellence and Innovation

87%*

Patients' families who **would definitely recommend** JourneyCare

84% National Average

*99% Definitely Yes or Probably Yes

82%

JourneyCare
Staff Retention

74% National Average

85%

Patients' families who rate care as a

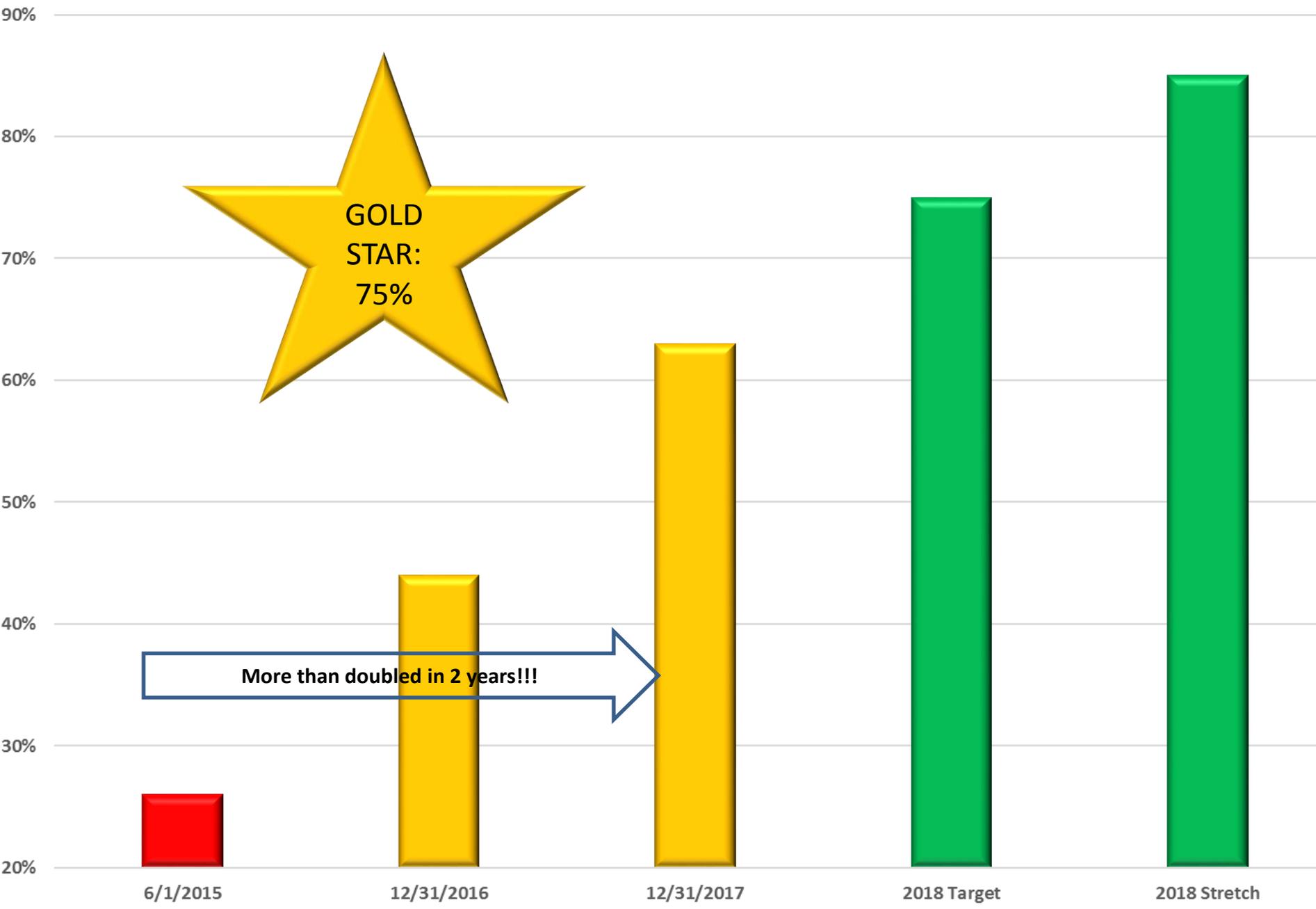
9 or 10 out of 10

80% National Average

67%*

Eligible JourneyCare staff certified in Hospice & Pall. Care
Highest in the State

Workforce: % of Eligible Staff Certified



**GOLD
STAR:
75%**

More than doubled in 2 years!!!

THANK YOU

Questions

?
